GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:2768
ANSWERED ON:21.08.2006
PARTICIPATION OF FCI IN FUTURES TRADING
Sippiparai Shri A. Ravichandran

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government has any proposal for participation of Food Corporation of India (FCI) in futures trading for stabilization of prices;

(b) if so, the details thereof;

(c) whether the Parliamentary Standing Committee has given its recommendations for the amendment of Essential Commodities Act, 1955; and

(d) if so, the details thereof alongwith the time schedule set for introduction of the said Bill?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): There is no proposal under consideration at present regarding participation of Food Corporation of India (FCI) in futures trading in the National Commodity Exchanges, for stabilization of prices.

(b): Does not arise.

(c)&(d): The Essential Commodities (Amendment) Bill, 2005 has been introduced in Rajya Sabha on 20.12.2005. It was subsequently referred to the Parliamentary Standing Committee on Food, Consumer Affairs & Public Distribution. The Committee in its 11th Report has generally endorsed the objectives of the Essential Commodities (Amendment) Bill, 2005. The Committee has also recommended that the list of seven items proposed to be covered under the Amended Act be re-examined and only those commodities be retained in which there is hoarding, black-marketing and shortages which can not be tackled through normal trade channels.